

**UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF MICHIGAN**

In re:

BARFLY VENTURES, LLC, *et al.*

Debtors.¹

Chapter 11

Case No. 20-01947-jwb

Jointly Administered

NOTICE OF FILING OF REVISED PROPOSED CONVERSION ORDERS

PLEASE TAKE NOTICE OF THE FOLLOWING:

1. On November 12, 2020, the above-captioned debtors and debtors in possession (collectively, the “Debtors”) and the Official Committee of Unsecured Creditors of the Debtors (the “Committee”) filed the *Joint Motion of the Debtors and the Official Committee of Unsecured Creditors for an Order (I) Substantively Consolidating the Debtors’ Estates; (II) Authorizing the Rejection of Contracts and Leases; (III) Authorizing the Wind Down of the Estates; and (IV) Authorizing the Debtors to Certify that the Estates May Be Converted to Chapter 7* [Docket No. 388] (the “Motion”).²

¹ The Debtors and the last four digits of their federal employment identification number are: Barfly Ventures, LLC (8379); 9 Volt, LLC (d/b/a HopCat) (1129); 50 Amp Fuse, LLC (d/b/a Stella’s Lounge) (3684); GRBC Holdings, LLC (d/b/a Grand Rapids Brewing Company) (2130); E L Brewpub, LLC (d/b/a HopCat East Lansing) (5334); HopCat-Ann Arbor, LLC (5229); HopCat-Chicago, LLC (7552); HopCat-Concessions, LLC (2597); HopCat-Detroit, LLC (8519); HopCat-GR Beltline, LLC (9149); HopCat-Holland, LLC (7132); HopCat-Indianapolis, LLC (d/b/a HopCat-Broad Ripple) (7970); HopCat-Kalamazoo, LLC (8992); HopCat-Kansas City, LLC (d/b/a HopCat,-KC, LLC and Tikicat) (6242); HopCat-Lexington, LLC (6748); HopCat-Lincoln, LLC (2999); HopCat-Louisville, LLC (0252); HopCat-Madison, LLC (9108); HopCat-Minneapolis, LLC (8622); HopCat-Port St. Lucie, LLC (0616); HopCat-Royal Oak, LLC (1935); HopCat-St. Louis, LLC (6994); Luck of the Irish, LLC (d/b/a The Waldron Public House, LLC and McFadden’s Restaurant Saloon) (4255).

² A capitalized term used but not defined herein shall have the meaning ascribed to it in the Sale Motion.

2. On December 7, 2020, the United States Trustee for Regions 3 and 9 (the “United States Trustee”) filed an untimely objection [Docket No. 414] (the “Objection”) to the Motion.³ No other parties in interest have objected formally or informally to the Motion.

3. As an accommodation to the United States Trustee, attached hereto as **Exhibit A** are revised proposed forms of orders (the “Revised Orders”) to the Motion.

4. Attached hereto as **Exhibit B** is a comparison of the Revised Orders to the original proposed forms of orders attached to the Motion.

5. The Debtors and the Committee will present the Revised Orders at the hearing scheduled in these chapter 11 cases for **December 10, 2020 at 11:00 a.m. (Eastern Time)** (the “Hearing”) before the Honorable James W. Boyd, United States Bankruptcy Judge for the United States Bankruptcy Court for the Western District of Michigan. The Hearing will be conducted by videoconferencing using the Zoom Cloud Meeting Program/App. Any party or attorney who wishes to appear at the Sale Hearing must register by no later than December 9, 2020 at 1:00 p.m. (Eastern Time). Information about registration is available on the Bankruptcy Court’s website under Covid-19 Notices, <https://www.miwb.uscourts.gov/covid-19-notices>.

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³ Local Rule 9013(f) provides that “[a]bsent good cause, a party filing a brief or response to a motion must file and serve its brief or response at least 7 days before the scheduled hearing.”

Dated: December 9, 2020

WARNER NORCROSS + JUDD LLP

/s/ Elisabeth M. Von Eitzen

Rozanne M. Giunta (P29969)

Stephen B. Grow (P39622)

Elisabeth M. Von Eitzen (P70183)

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--and--

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Counsel to the Debtors and Debtors in Possession

EXHIBIT A

Revised Orders

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF MICHIGAN**

In re:

BARFLY VENTURES, LLC, *et al.*,¹

Debtors.

Chapter 11

Case No. 20-01947-jwb

Jointly Administered

**ORDER (I) SUBSTANTIVELY CONSOLIDATING
THE DEBTORS' ESTATES; (II) AUTHORIZING
THE WIND DOWN OF THE ESTATES; AND (III) AUTHORIZING THE DEBTORS
TO CERTIFY THAT THE ESTATES MAY BE CONVERTED TO CHAPTER 7**

This matter came before the Court on the *Joint Motion of the Debtor and the Official Committee of Unsecured Creditors for an Order (I) Substantively Consolidating the Debtors' Estates; (II) Authorizing the Rejection of Contracts and Leases; (III) Authorizing the Wind Down of the Estates; and (IV) Authorizing the Debtors to Certify that the Estates May Be Converted to Chapter 7* [Docket No. 388] (the "Motion")² filed by the above-captioned debtors and debtors in possession (the "Debtors") and the Official Committee of Unsecured Creditors, and it appearing that the relief requested is in the best interest of the Debtors' estates, their creditors, and all other parties in interest; and it appearing that due and sufficient notice of the Motion having been

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² A capitalized term used but defined herein shall have the meaning ascribed to such term in the Motion.

given; and it appearing that no other or further notice need be provided; and the Court having jurisdiction to consider the Motion and the relief requested in the Motion under 28 U.S.C. §§ 157 and 1334; and consideration of the Motion and the relief requested in the Motion being a core proceeding under 28 U.S.C. § 157(b); and venue being proper in this District under 28 U.S.C. §§ 1408 and 1409; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is granted as set forth herein.
2. The Debtors' estates are hereby consolidated for all purposes.
3. All professionals retained by the Debtors' estates shall file final fee applications and counsel for the Debtors shall coordinate with such professionals so that the final fee applications are heard on the same day and time by the Court.
4. The Debtors are authorized to take any and all actions necessary to wind down their affairs as contemplated and permitted under the Wind-Down Budget.
5. As soon as reasonably practicable following the completion of the Conversion Milestones (defined below), the Debtors shall file a certification (the "Certification") of counsel requesting entry of the Conversion Order attached hereto as Exhibit 1. Among other things, the Certification should verify that (a) all quarterly fees of the United States Trustee owed in connection with the Chapter 11 Cases have been paid in full and all Monthly Operating Reports have been filed; and (b) the professional fees incurred in the Chapter 11 Cases have been approved on a final basis (to the extent applicable) and paid in full.
6. Certification Milestones shall mean:
 - All quarterly fees of the United States Trustee owed in connection with the Chapter 11 Cases have been paid in full and all Monthly Operating Reports have been filed.

- The professional fees incurred in the Chapter 11 Cases have been approved on a final basis (to the extent applicable) and paid in full, or as otherwise agreed to by the professionals.
- All services of the Debtors under the Transition Services Agreements have been rendered and the Transition Services Agreements have been terminated.
- Submission of a forgiveness application with respect to the PPP Loan.

7. The Certification shall be served only on the United States Trustee and the parties that have requested notice in these Chapter 11 Cases and no further notice regarding the conversion of the Chapter 11 Cases shall be required. The Debtors' creditors and parties in interest have received reasonable notice of the proposed conversion through the notice of the Motion.

8. The Debtors are authorized to take any and all actions necessary or appropriate to effectuate the relief granted pursuant to this Order.

9. This Order shall be binding upon all parties in interest and any chapter 7 trustee or trustees appointed in the Debtors' cases.

10. This Court shall retain jurisdiction to interpret, implement and enforce the terms and provisions of this Order.

END OF ORDER

Order prepared and submitted by:
WARNER NORCROSS + JUDD LLP
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evoneitzen@wnj.com
Counsel for Debtors

Exhibit 1

Conversion Order

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF MICHIGAN**

In re

BARFLY VENTURES, LLC, *et al.*,¹

Debtors.

Chapter 11

Case No. 20-01947-jwb

Jointly Administered

ORDER CONVERTING THE DEBTORS' CHAPTER 11 CASES TO CHAPTER 7

Upon consideration of the motion (the “Motion”)² of the Debtors for entry of an order, pursuant to section 1112(b) of Title 11 of the United States Code (the “Bankruptcy Code”); and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. § 1334; and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409; and due and sufficient notice of the Motion having been given under the particular circumstances; and it appearing that no other or further notice is necessary; and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein, including that the Debtors ceased all

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business operations after the closing of the Sale; and upon all the proceedings had before the Court; and after due deliberation thereon; and good and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. Pursuant to section 1112(b) of the Bankruptcy Code, the chapter 11 cases of the above-captioned debtors are hereby converted to chapter 7.

2. Pursuant to section 365 of the Bankruptcy Code and Bankruptcy Rule 6006, all of the Debtors' executory contracts and unexpired leases that have not been previously assumed and assigned or rejected by order of the Court are hereby rejected effective as of the date of this Order.

3. The Debtors are authorized to take any and all actions necessary or appropriate to effectuate the relief granted pursuant to this Order.

END OF ORDER

Order prepared and submitted by:
WARNER NORCROSS + JUDD LLP
Elisabeth M. Von Eitzen (P70183)
1500 Warner Building
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Counsel for Debtors

EXHIBIT B

Comparison to Original Proposed Orders

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF MICHIGAN

In re:

BARFLY VENTURES, LLC, *et al.*,¹

Debtors.

Chapter 11

Case No. 20-01947-jwb

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THE DEBTORS' ESTATES; (II) AUTHORIZING
THE WIND DOWN OF THE ESTATES; AND (III) AUTHORIZING THE DEBTORS
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This matter came before the Court on the *Joint Motion of the Debtor and the Official Committee of Unsecured Creditors for an Order (I) Substantively Consolidating the Debtors' Estates; (II) Authorizing the Rejection of Contracts and Leases; (III) Authorizing the Wind Down of the Estates; and (IV) Authorizing the Debtors to Certify that the Estates May Be Converted to Chapter 7* [Docket No. [—388](#)] (the “Motion”)² filed by the above-captioned debtors and debtors in possession (the “Debtors”) and the Official Committee of Unsecured Creditors, and it appearing that the relief requested is in the best interest of the Debtors' estates, their creditors, and all other parties in interest; and it appearing that due and sufficient notice of the Motion having been given; and it appearing that no other or further notice need be provided; and the Court having jurisdiction to consider the Motion and the relief requested in the Motion under 28 U.S.C. §§ 157 and 1334; and consideration of the Motion and the relief requested in the Motion

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being a core proceeding under to 28 U.S.C. § 157(b); and venue being proper in this District under 28 U.S.C. §§ 1408 and 1409; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is granted as set forth herein.

2. The Debtors' estates are hereby consolidated for all purposes.

~~3. If a primary claim filed against one Debtor is also filed against another Debtor pursuant to a guarantee of the primary claim, the guarantee claim is hereby expunged so that there only remains one claim for purposes of determining allowed claims and distributions therefor.~~

3. ~~4.~~ All professionals retained by the Debtors' estates shall file final fee applications and counsel for the Debtors shall coordinate with such professionals so that the final fee applications are heard on the same day and time by the Court.

4. ~~5.~~ The Debtors are authorized to take any and all actions necessary to wind down their affairs as contemplated and permitted under the Wind-Down Budget.

5. ~~6.~~ As soon as reasonably practicable following the completion of the Conversion Milestones (defined below), the Debtors shall file a certification (the "Certification") of counsel requesting entry of the Conversion Order attached ~~to the Motion~~ hereto as Exhibit ~~B-1~~. Among other things, the Certification should verify that (a) all quarterly fees of the United States Trustee owed in connection with the Chapter 11 Cases have been paid in full and all Monthly Operating Reports have been filed; and (b) the professional fees incurred in the Chapter 11 Cases have been approved on a final basis (to the extent applicable) and paid in full; ~~and (c) all PACA and section~~

~~503(b)(9) administrative expense claims identified on Exhibit C to the Motion have been paid in full.~~

6. Certification Milestones shall mean:

- All quarterly fees of the United States Trustee owed in connection with the Chapter 11 Cases have been paid in full and all Monthly Operating Reports have been filed.
- The professional fees incurred in the Chapter 11 Cases have been approved on a final basis (to the extent applicable) and paid in full, or as otherwise agreed to by the professionals.
- All services of the Debtors under the Transition Services Agreements have been rendered and the Transition Services Agreements have been terminated.
- Submission of a forgiveness application with respect to the PPP Loan.

7. The Certification shall be served only on the United States Trustee and the parties that have requested notice in these Chapter 11 Cases and no further notice regarding the conversion of the Chapter 11 Cases shall be required. The Debtors' creditors and parties in interest have received reasonable notice of the proposed conversion through the notice of the Motion.

8. The Debtors are authorized to take any and all actions necessary or appropriate to effectuate the relief granted pursuant to this Order.

9. This Order shall be binding upon all parties in interest and any chapter 7 trustee or trustees appointed in the Debtors' cases.

10. This Court shall retain jurisdiction to interpret, implement and enforce the terms and provisions of this Order.

Dated: _____, 2020
Grand Rapids, Michigan

The Honorable James W. Boyd
United States Bankruptcy Judge

Exhibit B1

Conversion Order

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF MICHIGAN

In re

BARFLY VENTURES, LLC, *et al.*,¹

Debtors.

Chapter 11

Case No. 20-01947-jwb

Jointly Administered

ORDER CONVERTING THE DEBTORS' CHAPTER 11 CASES TO CHAPTER 7

Upon consideration of the motion (the “Motion”)² of the Debtors for entry of an order, pursuant to section 1112(b) of Title 11 of the United States Code (the “Bankruptcy Code”); and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. § 1334; and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409; and due and sufficient notice of the Motion having been given under the particular circumstances; and it appearing that no other or further notice is necessary; and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein, including that the Debtors ceased all business operations after the closing of the Sale; and upon all the proceedings had before the Court; and after due deliberation thereon; and good and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

¹ The Debtors are: Barfly Ventures, LLC (8379), Barfly Management, LLC (6274), 9 Volt, LLC (d/b/a HopCat) (1129), 50 Amp Fuse, LLC (d/b/a Stella’s Lounge) (3684), GRBC Holdings, LLC (d/b/a Grand Rapids Brewing Company) (2130), E L Brewpub, LLC (d/b/a HopCat East Lansing) (5334), HopCat-Ann Arbor, LLC (5229), HopCat-Chicago, LLC (7552), HopCat-Concessions, LLC (2597), HopCat-Detroit, LLC (8519), HopCat-GR Beltline, LLC (9149), HopCat-Holland, LLC (7132), HopCat-Indianapolis, LLC (d/b/a HopCat-Broad Ripple) (7970), HopCat-Kalamazoo, LLC (8992), HopCat-Kansas City, LLC (d/b/a HopCat,-KC, LLC and Tikicat) (6242), HopCat-Lexington, LLC (6748), HopCat-Lincoln, LLC (2999), HopCat- Louisville, LLC (0252), HopCat-Madison, LLC (9108), HopCat-Minneapolis, LLC (8622), HopCat-Port St. Lucie, LLC (0616), HopCat-Royal Oak, LLC (1935), HopCat-St. Louis, LLC (6994), Luck of the Irish, LLC (d/b/a The Waldron Public House, LLC and McFadden’s Restaurant Saloon) (4255).

² A capitalized term used but defined herein shall have the meaning ascribed to such term in the Motion.

~~1. The Motion is GRANTED.~~

1. ~~2.~~ Pursuant to section 1112(b) of the Bankruptcy Code, the chapter 11 cases of the above-captioned debtors are hereby converted to chapter 7.

2. ~~3.~~ Pursuant to section 365 of the Bankruptcy Code and Bankruptcy Rule 6006, all of the Debtors' executory contracts and unexpired leases that have not been previously assumed and assigned or rejected by order of the Court are hereby rejected effective as of the date of this Order.

3. ~~4.~~ The Debtors are authorized to take any and all actions necessary or appropriate to effectuate the relief granted pursuant to this Order.

Dated: _____, 2020
Grand Rapids, Michigan

The Honorable James W. Boyd
United States Bankruptcy Judge

EXHIBIT C

PACA and Section 503(b)(9) Administrative Claims

<u>Allowed PACA Claims</u>		
<u>Creditor</u>	<u>Claim No.</u>	<u>Allowed Amount</u>

<u>Allowed 503(b)(9) Claims</u>		
<u>Creditor</u>	<u>Claim No.</u>	<u>Allowed Amount</u>

Document comparison by Workshare 9.5 on Tuesday, December 08, 2020
9:05:21 AM

Input:	
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Document 2 ID	PowerDocs://DOCS_SF/104650/3
Description	DOCS_SF-#104650-v3-BarFly_-_Conversion_Orders
Rendering set	Standard

Legend:	
<u>Insertion</u>	
Deletion	
Moved from	
<u>Moved to</u>	
Style change	
Format change	
Moved deletion	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
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Deletions	23
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Moved to	0
Style change	0
Format changed	0
Total changes	51